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COUNTRY PROGRAMMES, MID-TERM REVIEWS AND RELATED MATTERS

Advancement of the fifth country programme for the United Republic of Tanzania

Report of the Administrator

I. PURPOSE AND BACKGROUND

1. The present report is submitted to the Executive Board in accordance with section II of Governing Council decision 93/20 of 18 June 1993.

2. The concerns expressed by some delegations on the fifth country programme for the United Republic of Tanzania at the fortieth session of the Governing Council related mainly to the lack of focus of the programme and the difficulty of assessing its impact. Specific comments on the programme were put forward; the comparative advantage of UNDP in the area of HIV/AIDS in the country was questioned; the participatory approach was said to need reorientation; a review of the use of expatriates as project personnel was suggested; the success indicators presented were considered too broad; and assistance to public-sector reform and non-conditionality of UNDP assistance was felt to need further thought.

II. POLITICAL AND ECONOMIC TRENDS

3. In assessing the role of UNDP in the United Republic of Tanzania and the fifth country programme in particular, several aspects have to be taken into consideration. The technical cooperation and capital assistance needs of the country are huge. Donor assistance is in excess of $1 billion annually, amounting to 35-40 per cent of the gross domestic product (GDP). About 25 per cent of the overall aid consists of technical cooperation, of which UNDP resources fund 6 to 7 per cent. Income and Government revenue, on a per capita basis, are among the lowest in the world. A total of 80 per cent of the

development budget and 40 per cent of the recurrent budget are financed from donor resources. The Government faces the difficult task of implementing the total restructuring of its economy from a state-led to a market-led orientation against a background of a rapidly expanding population, weak productive and social sectors and an inefficient civil service.

III. COUNTRY PROGRAMME

4. Following Governing Council decision 93/20, UNDP initiated a process of intensive and regular consultations with the Government, United Nations specialized agencies and donors to review the country programme. During these meetings, strategies, programmes and projects were reassessed.

5. These consultations led to considerable improvement of the coordination mechanisms. Consultative meetings now take place on a regular basis, including monthly meetings with the Planning Commission and the Ministry of Finance on the implementation of the country programme; sectoral meetings are also held with donors. This approach has reinforced complementarity among donors, and generated cost-sharing possibilities.

6. The five areas of concentration have been reduced to four: macroeconomic management; human resources development; national income-generation programme; and natural resource management. The health/HIV/AIDS programme has been included under the human resources development area. The total number of projects has been reduced; 17 projects were closed in 1993 and an additional 24 projects will be closed in 1994. These measures have brought greater focus to the programme.

7. National execution has been adopted in almost all the programmes. The training of national counterparts has resulted in increased hiring of national experts. At present, approximately half of the experts, including United Nations Volunteers (UNV) specialists working in UNDP-supported projects are nationals. By the end of the fifth cycle, an even greater share of national professionals is expected.

8. The approach to the Civil Service reform programme was revised during consultations with donors and the amended programme was launched at the end of 1993. The programme is co-sponsored by the World Bank and the Official Development Assistance (ODA) of the United Kingdom. Better performance of the socio-economic planning machinery, in particular the rolling plan and forward budgeting system, improvement in macro-financial management, as well as improved performance of the Civil Service are expected.

9. In the area of HIV/AIDS, UNDP is collaborating closely with the World Health Organization (WHO), UNICEF and other donors. The main contribution has been the assistance to the preparation and implementation of the second national mid-term HIV programme of Tanzania. In 1992, UNDP had previously co-sponsored a donor meeting in support of the HIV/AIDS National Mid-Term AIDS Control Programme, which resulted in pledges of US$ 42 million, including US$ 5 million from UNDP.

10. Lastly, the Government and UNDP launched the National Income-Generation Programme in 1993 as a five-year, two-phased programme of action to create and expand sustainable income-generation projects in the agriculture, infrastructure and micro-enterprise sectors. The programme is designed to carry out the Government's national employment policy, using the private sector for project execution, programme management and training. A successful high-level donor conference was held in November 1993, which resulted in pledges of US$ 27 million from donors.

11. The programme review has also led to a sharper definition of performance indicators. The economic management programme will contribute to (a) a more effective planning machinery and more efficient rolling plans and forward budgets; (b) improved financial management systems and revenue collection; and (c) a smaller, yet more efficient, Civil Service. The human resources development programme will improve donor-government coordination in revamping the educational sector and will strengthen national capacity to reduce HIV/AIDS transmission and mitigate its socio-economic impact. The national income-generation programme will lead to higher employment creation by promoting small- and medium-scale business development in four regions: Dar-es-Salaam, Arusha, Mwanza and Zanzibar. Finally, the natural resource management programme seeks to reinforce national capacity to manage natural resources efficiently. Special attention will be given to building sustainable human settlements and ensuring food security. Specific and quantifiable benchmarks are being designed in each area of concentration to allow for a better monitoring of progress and achievements.

IV. EXECUTIVE BOARD ACTION

12. The Executive Board may wish to:

Take note of the present report.